C7930-1

NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 10 No. 8
September 1989

Current Economic Developments in New Mexico

The U.S. economy continues to exhibit healthy signs, and fears of recession are as yet unrealized. Real GNP increased a tidy 2.5 percent during the second quarter of 1989. Consumer prices, following rather small 0.2 percent increases in both June and July, showed no change at all in August, the first monthly non-increase since April, 1986. Producer prices declined 0.4 percent in August, following declines in both June and July. Meanwhile, industrial production grew at its fastest pace since April, and the capacity utilization rate remained at 83.8 percent, which, according to the Federal Reserve, is high enough to represent efficient use of facilities, but not so high as to cause inflationary bottlenecks or production snags. Retail sales were up 0.7 percent in August. Overall, the national economy appears to be on solid ground.

The New Mexico economy also continues to show improvement. Nonagricultural employment increased 2.7 percent, or more than fifteen thousand jobs, during the second quarter. Nationally, the employment increase for the second quarter was 2.3 percent. Trade, services, and manufacturing employment each registered gains of at least 3.6 percent. Two other sectors, government and finance/insurance/real estate (FIRE), showed smaller increases, while construction and transportation/communications/utilities (TCU) each exhibited declines of about two percent (see Figures 1A and 1B below). New Mexico is unlikely to see quarterly employment growth rates in the five to six percent range as occurred in 1984 anytime soon, so 2.7 percent growth must be viewed as a rather encouraging sign. The second-quarter unemployment rate was 6.8 percent, down almost two full points from a year ago. The July unemployment rate was 6.5 percent, according to the N.M. Department of Labor.

FIGURE 1A
NEW MEXICO EMPLOYMENT
GROWTH BY SECTOR
1989:2

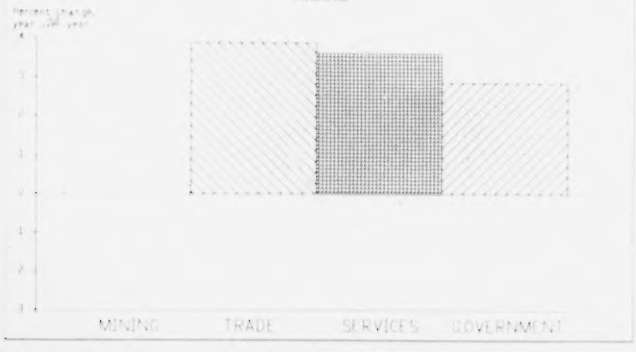
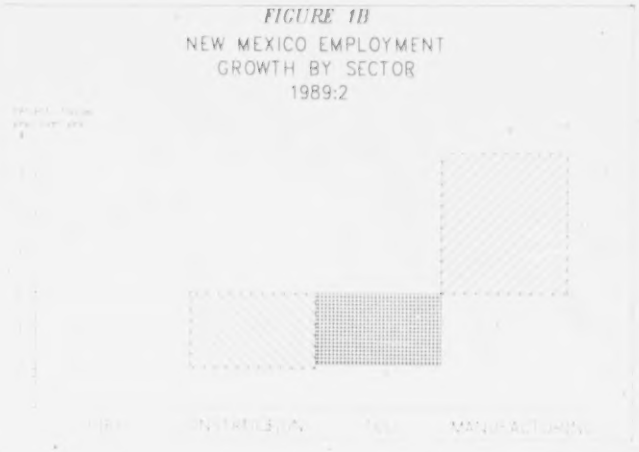


FIGURE 1B
NEW MEXICO EMPLOYMENT
GROWTH BY SECTOR
1989:2



New Mexico personal income increased 10.2 percent during the first quarter of 1989, the largest increase in seven years. The U.S. average was 9.4 percent. Among the various components of New Mexico personal income, wage and salary disbursements increased 9.6 percent, transfer payments 7.7 percent, dividends/interest/rent 13.6 percent, nonfarm proprietors income 4.5 percent, and farm proprietors income 96.3 percent. Real disposable income growth for the first quarter, as estimated by the Bureau of Business and Economic Research, was 3.8 percent. For the year 1988, New Mexico personal income showed an increase of 5.8 percent over 1987. On a per capita basis, New Mexico personal income was $12,488 in 1988, five percent higher than in 1987. This figure placed New Mexico 45th among all states, about four thousand dollars below the national average.

Several recent events have or will have an impact on New Mexico employment. In mining, the Molycorp molybdenum mine near Questa (Taos County) reopened on August first, hiring about two hundred workers, with the promise of more to come next year. There has been additional hiring at the potash mines near Carlsbad, primarily due to an anti-dumping

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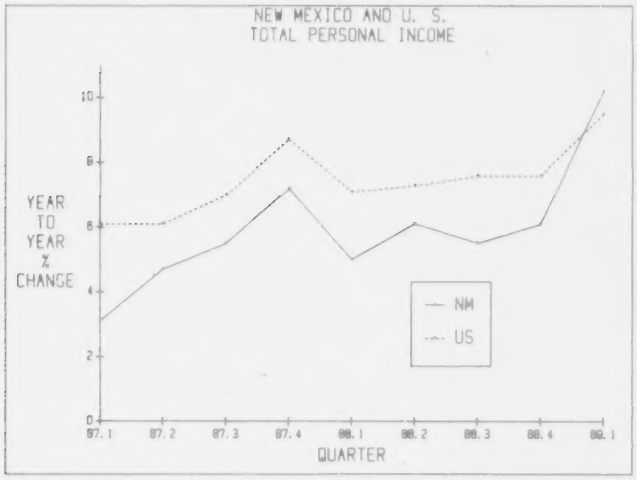
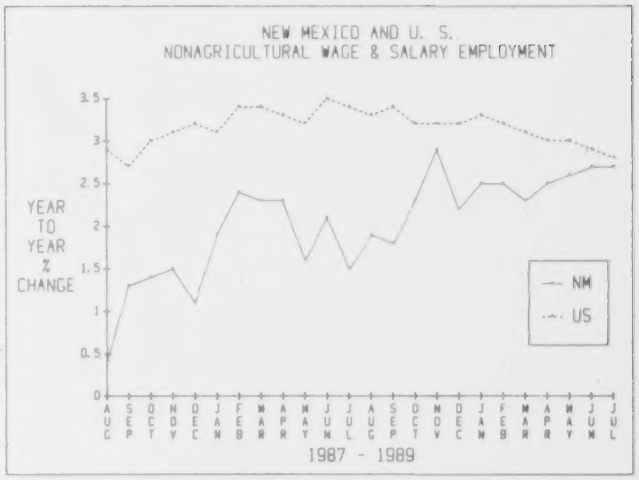
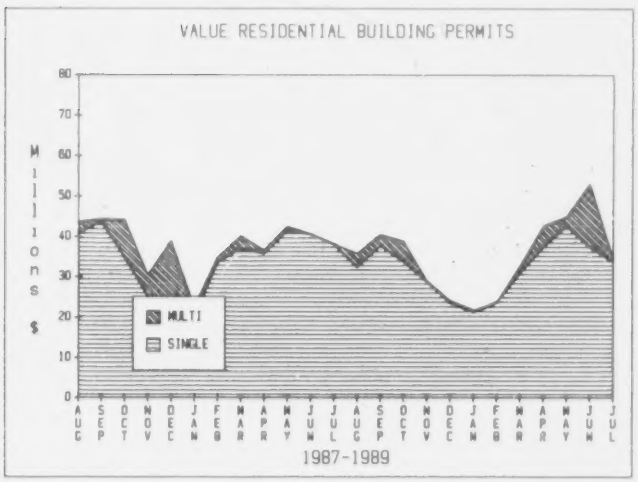
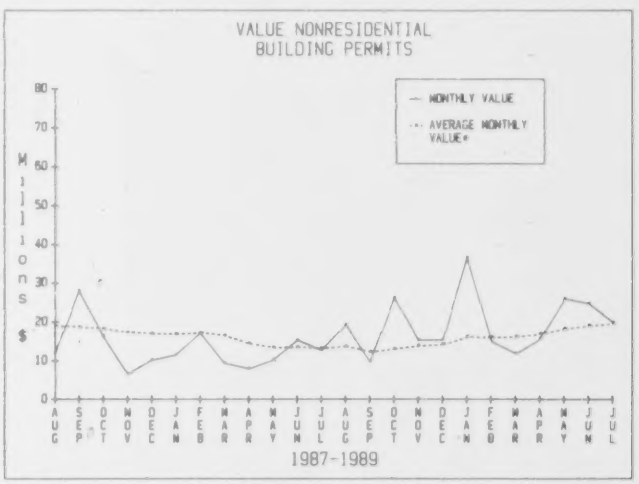
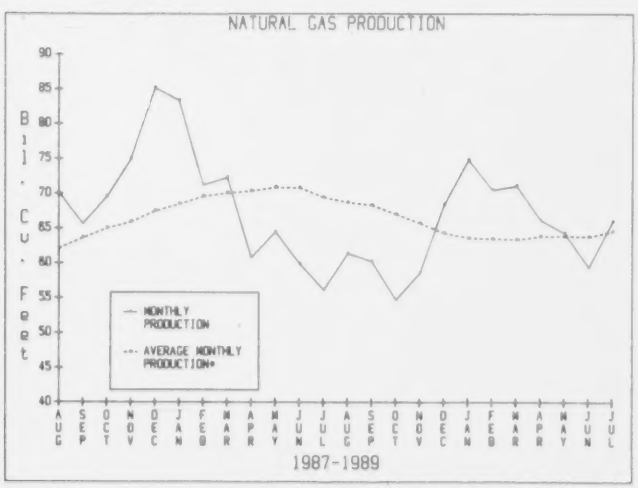
ECONOMIC TRENDS IN NEW MEXICO

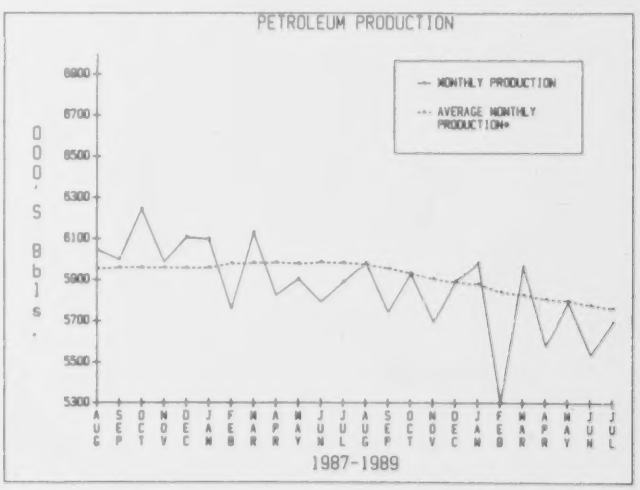












* 12 month moving average. For example, the point for August, 1988 represents an average of data from September, 1987 through August, 1988.

U.S. ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1982-84=100)				
All items	Jul 89	124.4	5.0	124.1
Food and beverages	Jul 89	125.4	5.6	124.9
Housing	Jul 89	123.9	4.0	122.9
Apparel and upkeep	Jul 89	115.0	2.0	117.8
Transportation	Jul 89	115.4	6.0	115.9
Medical care	Jul 89	149.7	7.5	148.5
Entertainment	Jul 89	126.9	5.3	126.2
Other goods and services	Jul 89	147.3	7.9	146.3
Revised series, wage earners and clerical workers (1982-84=100)				
All items	Jul 89	123.2	5.1	122.8
Gross national product* ($Bil. constant)	Q2 89	4134.0	3.1	4106.8
Prime interest rate** (% per annum)	Jul 89	10.5	10.5	11.0
Mortgage interest rate*** (% per annum)	Jul 89	10.5	14.3	10.4
3 month treasury bill# (% per annum)	Jul 89	7.9	17.7	8.2
Industrial production## (1977=100)	Jul 89	141.7	2.7	141.4
Manufacturers new orders## ($Bil.)	Jun 89	235.3	3.2	233.8

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Jul 89	649.1	1.4	647.1	119,502	2.1	118,719
Unemployment rate (%)	Jul 89	6.5	-	7.4	5.3	-	5.5
Nonagricultural employment (000)	Jul 89	551.7	2.7	555.7	108,562	2.8	109,534
Personal income### ($Mil.)	Q1 89	20,008	10.2	19,415	4,297,169	9.5	4,198,095
Housing units permitted							
Single	Jul 89	403	-21.3	497	79,347	-8.0	92,479
Multi	Jul 89	51	1175.0	453	29,501	-15.8	42,989

Note: Selected data items subject to revision.
N Not available.
* 1982 dollars at seasonally adjusted annual rates.
** Closing rate for month.
*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.
# Rate on new issues within period; bank discount basis.
Monthly data seasonally adjusted.
Quarterly data seasonally adjusted at annual rates.
Sources: U. S. Department of Labor, News: CPI data;
New Mexico Department of Labor and U. S. Bureau of Labor Statistics: employment and unemployment data.
U. S. Department of Commerce, Bureau of Economic Analysis: income data;
U. S. Department of Commerce, Bureau of the Census: construction data.
U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

	CURRENT MO/QTR	DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Jul 89	694.0	-0.4	698.7	0.6
Total employment* (000)	Jul 89	649.1	1.4	647.1	2.0
Unemployment* (000)	Jul 89	44.9	-20.0	51.6	-15.9
Unemployment rate (%)	Jul 89	6.5	-	7.4	-
Weekly new unemployment insurance claims	Jul 89	1222.0	-5.9	1116.0	-6.8
Nonagricultural wage/salary employment**(000)	Jul 89	551.7	2.7	555.7	2.4
Personal income*** ($ mil.)	Q1 89	20008.0	10.2	19415.0	7.0
New business incorporations	Jun 89	219.0	0.0	248.0	-0.2
Business failure liabilities ($ 000)	Jun 89	3458.0	-50.9	4466.0	516.2
2. AGRICULTURAL RECEIPTS					
Livestock and products ($ mil.)	Jun 89	55.6	2.6	52.8	5.8
Crops ($ mil.)	Jun 89	37.3	-7.0	22.6	5.1
Total ($ mil.)	Jun 89	92.9	-1.5	75.4	5.6
3. MINING					
Employment** (000)	Jul 89	15.5	0.6	15.5	0.0
Average hourly earnings ($)	Jul 89	12.60	-0.1	12.41	5.8
Petroleum production (000 bbls.)	Jul 89	5694.5	-3.3	5535.7	-3.7
Natural gas production (bil. cu. ft.)	Jul 89	66.0	17.6	59.4	-6.9
Coal production (000 short tons)	Jul 89	1666.0	16.7	2684.0	12.4
Oil well completions&	Jul 89	39.0	-33.9	44.0	-17.5
Gas well completions&	Jul 89	32.0	33.3	33.0	40.9
Total footage drilled&& (000)	Jul 89	386.3	-26.9	417.2	-2.8
Oil sales ($ mil.)	May 89	106.2	13.5	104.9	-13.5
Gas sales ($ mil.)	May 89	87.5	-2.1	86.0	-19.2
4. CONSTRUCTION					
Employment** (000)	Jul 89	31.0	-1.0	30.7	-3.9
Average hourly earnings ($)	Jul 89	11.48	2.4	11.14	3.2
Residential units permitted	Jul 89	454.0	-12.0	950.0	-9.0
Residential building permits ($ mil.)	Jul 89	34.7	-9.4	53.3	-7.8
Nonresidential building permits ($ mil.)	Jul 89	19.8	55.9	24.7	50.0
Residential construction contracts ($ mil.)	Jul 89	46.8	-0.4	50.5	-10.5
Nonresidential construction contracts ($mil.)	Jul 89	38.0	71.9	24.5	-25.4
Nonbuilding construction contracts ($ mil.)	Jul 89	26.1	-41.3	37.4	6.1
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Jul 89	27.8	-1.1	27.8	-1.4
Average hourly earnings## ($)	Jul 89	14.13	-0.5	13.85	1.5
6. MANUFACTURING					
Employment** (000)	Jul 89	40.9	3.0	41.4	3.6
Average hourly earnings ($)	Jul 89	8.95	1.1	8.66	-0.7
Electric & electronic equipment employment** (000)	Jul 89	5.6	1.8	5.7	7.7
Transportation equipment employment** (000)	Jul 89	5.3	1.9	5.4	8.0
Food & kindred products employment** (000)	Jul 89	3.9	5.4	3.9	2.6
Textile & apparel employment** (000)	Jul 89	2.7	3.8	2.7	0.0
Lumber & wood products employment** (000)	Jul 89	2.6	0.0	2.5	-3.8

NEW MEXICO ECONOMIC INDICATORS (continued)

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
7. TRADE					
Wholesale employment** (000)	Jul 89	23.5	1.3	23.6	0.9
Retail employment** (000)	Jul 89	112.2	3.5	112.3	3.8
Average hourly earnings ($)	Jul 89	6.94	2.5	6.97	-0.3
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Jul 89	27.8	1.5	27.8	1.5
Bank average hourly earnings ($)	Jul 89	6.70	11.7	6.60	8.8
Bank total assets ($ mil.)	Q1 89	10248.0	5.4	10168.5	4.3
Bank total deposits ($ mil.)	Q1 89	8617.0	3.8	8642.7	3.4
Bank net loans ($ mil.)	Q1 89	5638.0	0.9	5748.2	N
S & L total assets ($ mil.)	Jun 89	5321.0	-8.0	5311.0	-8.8
S & L total deposits ($ mil.)	Jun 89	4598.0	-5.3	4555.0	-1.2
S & L new mortgage loans closed&&& ($ mil.)	Jun 89	76.0	-45.3	83.0	-5.3
9. SERVICES AND TOURISM					
Total service employment** (000)	Jul 89	135.9	4.5	134.9	3.9
Lodging employment** (000)	Jul 89	12.7	5.0	12.5	1.8
Eating & drinking places employment** (000)	Jul 89	44.1	6.5	44.1	6.3
Visits to state parks (000)	May 89	633.9	14.6	373.7	N
Visits to national parks/monuments (000)	Jul 89	327.8	0.6	276.2	8.2
Passenger traffic at Albuquerque airport@ (000)	Jul 89	449.0	11.3	438.4	8.3
Lodgers tax receipts### ($ 000)	Q1 89	2063.8	10.9	2538.8	14.7
Lodging occupancy rates (%)	Jul 89	78.1	1.8	77.6	5.2
10. GOVERNMENT					
Total government employment** (000)	Jul 89	137.1	2.6	141.7	2.7
Federal employment** (000)	Jul 89	31.5	4.0	31.4	1.0
State employment** @@ (000)	Jul 89	45.7	2.7	46.5	2.1
Local employment** (000)	Jul 89	59.9	1.9	63.8	3.8
Total general fund revenues@@@ ($ mil.)	Jun 89	171.3	12.0	180.2	7.7

Note: selected data items subject to revision.
N Not available.
* Number of persons by place of residence.
** Number of jobs by place of work.
*** Quarterly data seasonally adjusted at annual rates.
& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.
&& Oil and gas combined.
&&& New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.
# For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.
Communications and utilities only.
A portion of the increase in lodgers tax receipts is attributable to an increase in the rate levied by the City of Santa Fe. The rate increased from 3 to 4 percent as of July 1, 1987.
@ Passenger traffic includes enplanements and deplanements.
@@ This figure includes full and part time employment at Los Alamos National Laboratory (LANL). Full time equivalent employment (FTE) at LANL is 7,700 as of April 1989 according to LANL Personnel Dept.
@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Department of Labor: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;
Dun and Bradstreet, Inc.: Section 1;
U. S. Dept of Commerce, Bureau of Economic Analysis: Section 1;
USDA Statistical Reporting Service: Section 2;
New Mexico Energy, Minerals and Natural Resources Dept., Oil and Gas Conservation Division: Section 3;
New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;
U. S. Dept. of Energy, Energy Information Administration: Section 3;
U. S. Dept. of Commerce, Bureau of the Census: Section 4;
F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;
U. S. Federal Reserve: Section 8;
Federal Home Loan Bank of Dallas: Section 8;
U. S. Federal Deposit Insurance Corporation: Section 8;
New Mexico Energy, Minerals and Natural Resources Dept., Park and Recreation Division: Section 9;
U. S. National Park Service: Section 9;
City of Albuquerque, Albuquerque International Airport: Section 9;
New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;
Pannell, Kerr and Forster: Section 9;
New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
($000)

	CURRENT 3 MONTH AVERAGE* MAY-JUL	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3 MONTH AVERAGE* FEB-APR
Alamogordo	$ 15,825	2.2	$ 13,600
Albuquerque	268,261	13.4	225,474
Artesia	5,350	4.5	4,757
Carlsbad	13,784	17.6	11,623
Clovis	17,845	6.1	15,072
Deming	6,232	8.7	5,172
Espanola	7,805	6.4	6,187
Farmington	30,755	13.0	28,302
Gallup	23,419	-0.6	21,489
Hobbs	18,870	11.2	14,415
Las Cruces	38,851	4.8	34,698
Las Vegas	6,217	3.9	5,573
Los Alamos	7,222	18.5	5,721
Portales	5,591	1.9	4,605
Rio Rancho	6,041	7.1	6,224
Roswell	21,048	8.9	17,998
Ruidoso	5,814	9.1	4,917
Santa Fe	58,083	12.0	47,627
Silver City	8,996	10.7	7,185
Taos	8,909	17.2	7,756
State total	752,632	13.5	626,954

\# Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.
* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS ($000)			
	JULY 1989	JULY 1988	CUMULATIVE TOTAL THROUGH JULY 1989	1988	JULY 1989	JULY 1988	CUMULATIVE TOTAL THROUGH JULY 1989	1988
NEW RESIDENTIAL**								
Alamogordo	3	8	34	63	$ 216	$ 445	$ 2,231	$ 3,613
Albuquerque	119	166	1,222	1,330	8,768	13,293	79,330	91,204
Carlsbad	2	1	12	26	142	71	993	1,500
Clovis	5	2	57	16	382	175	3,438	1,198
Farmington	6	10	25	31	423	535	1,732	1,793
Hobbs	0	1	2	3	0	74	183	596
Las Cruces	21	27	384	373	1,771	1,759	17,591	18,149
Los Alamos	1	1	7	15	150	67	932	1,860
Rio Rancho***	51	55	478	627	2,611	2,866	23,248	26,606
Roswell	10	5	36	44	454	336	2,321	3,130
Ruidoso	4	9	28	35	717	638	2,325	2,438
Santa Fe	20	21	381	181	2,393	1,780	24,305	13,462
NEW NONRESIDENTIAL								
Alamogordo	2	7	36	38	3	85	804	888
Albuquerque	5	7	25	31	12,136	2,747	77,928	26,775
Carlsbad	2	2	31	34	9	12	444	576
Clovis	2	0	7	8	2,073	0	2,670	2,349
Farmington	0	1	6	10	0	73	587	1,738
Hobbs	1	0	6	3	14	0	2,519	372
Las Cruces	15	15	72	103	428	781	4,172	7,662
Los Alamos	1	1	4	7	225	189	274	213
Rio Rancho***	2	1	10	14	1,850	473	4,163	6,617
Roswell	7	8	50	47	131	299	1,204	874
Ruidoso	1	8	5	10	5	23	506	495
Santa Fe	6	2	46	26	1,819	1	9,015	2,174

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.
* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.
** Residential data includes both single and multi family units.
*** City of Rio Rancho reported Rio Rancho data.

Sources: City of Rio Rancho: Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA***		
	JULY p	% CHANGE YEAR AGO	JUNE r	JULY p	% CHANGE YEAR AGO	JUNE r	JULY p	% CHANGE YEAR AGO	JUNE r	JULY p	% CHANGE YEAR AGO	JUNE r
TOTAL CIVILIAN LABOR FORCE	694.0	-0.4	698.7	265.8	-0.1	267.5	55.3	0.2	56.7	69.4	-0.1	68.4
Employment@	649.1	1.4	647.1	252.3	1.3	251.5	51.4	1.0	52.3	66.5	0.8	65.5
Unemployment	44.9	-20.0	51.6	13.5	-20.6	16.0	3.9	-9.3	4.4	2.8	-20.0	2.9
Unemployment rate (%)	6.5	-	7.4	5.1	-	6.0	7.1	-	7.8	4.1	-	4.2
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	551.7	2.7	555.7	239.7	2.4	239.5	39.4	1.3	40.9	58.0	1.8	57.5
Mining	15.5	0.6	15.5	0.1	-50.0	0.1	0.1	0.0	0.1	0.1	0.0	0.1
Contract construction	31.0	-1.0	30.7	14.9	-2.6	14.8	2.4	4.3	2.4	2.7	-3.6	2.6
Manufacturing	40.9	3.0	41.4	20.6	1.5	20.8	3.6	-5.3	3.6	1.7	0.0	1.7
Durable goods	27.7	2.6	28.1	14.7	0.0	14.9	1.6	-5.9	1.6	1.1	0.0	1.1
Nondurable goods	13.2	3.9	13.3	5.9	5.4	5.9	2.0	-4.8	2.0	0.6	-14.3	0.6
Transportation & public utilities	27.8	-1.1	27.8	12.7	3.3	12.6	1.2	-7.7	1.2	1.1	-8.3	1.1
Trade	135.7	3.1	135.9	62.2	2.3	61.8	9.0	2.3	9.2	11.6	4.5	11.6
Wholesale	23.5	1.3	23.6	14.5	0.7	14.4	1.0	11.1	1.0	0.9	0.0	0.9
Retail	112.2	3.5	112.3	47.7	2.8	47.4	8.0	1.3	8.2	10.7	3.9	10.7
Finance, insurance, & real estate	27.8	1.5	27.8	15.5	3.3	15.4	1.8	0.0	1.8	2.0	0.0	2.0
Services	135.9	4.5	134.9	67.6	2.3	67.4	6.6	4.8	6.7	16.0	1.9	15.7
Government	137.1	2.6	141.7	46.1	4.5	46.6	14.8	0.7	16.1	22.8	1.8	22.8
Federal	31.5	4.0	31.4	13.7	3.8	13.7	4.3	0.0	4.4	1.7	0.0	1.7
State	45.7	2.7	46.5	10.7	2.9	10.8	5.6	5.7	6.1	17.1	3.0	16.9
Local	59.9	1.9	63.8	21.7	5.9	22.1	4.9	-3.9	5.6	4.0	-2.4	4.2

N Not available, less than 50 jobs.
P Preliminary.
R Revised.

* Bernalillo County.
** Dona Ana County.
*** Santa Fe and Los Alamos Counties.
@ Includes labor disputes.

Source: New Mexico Department of Labor.

PER CAPITA PERSONAL INCOME AND TOTAL PERSONAL INCOME
SELECTED STATES, 1985–1988

	PER CAPITA PERSONAL INCOME					TOTAL PERSONAL INCOME (Millions $)				
	1985	1986	1987	1988	RANK 1988	1985	1986	1987	1988	% CHANGE 1987–1988
SOUTHWEST										
Arizona	$12,958	$13,649	$14,322	$14,970	28	$ 40,963	$ 44,766	$ 48,699	$ 52,233	7.3
New Mexico	11,199	11,435	11,889	12,488	45	16,238	16,890	17,781	18,814	5.8
Oklahoma	12,183	12,301	12,607	13,323	37	40,235	40,597	41,087	43,192	5.1
Texas	13,472	13,486	13,840	14,586	33	220,711	224,979	232,255	245,647	5.8
ROCKY MOUNTAIN										
Colorado	$14,700	$15,137	$15,680	$16,463	19	$ 47,511	$ 49,422	$ 51,638	$ 54,352	5.3
Idaho	10,819	11,167	11,797	12,665	44	10,869	11,199	11,793	12,698	7.7
Montana	11,017	11,731	12,304	12,866	39	9,092	9,588	9,956	10,352	4.0
Utah	10,653	11,052	11,530	12,193	48	17,512	18,391	19,366	20,604	6.4
Wyoming	12,835	12,728	12,836	13,609	36	6,537	6,454	6,286	6,523	3.8
FAR WEST										
California	$16,036	$16,778	$17,770	$18,753	8	$ 422,608	$ 452,973	$ 491,393	$ 530,968	8.1
Nevada	14,695	15,453	16,359	17,511	12	13,801	14,930	16,460	18,461	12.2
Oregon	12,629	13,136	13,906	14,885	30	33,951	35,500	37,869	41,180	8.7
Washington	14,077	14,854	15,634	16,473	18	62,032	66,263	71,004	76,561	7.8
UNITED STATES	$13,896	$14,596	$15,472	$16,489	NA	$3,317,545	$3,519,211	$3,766,075	$4,052,992	7.6

NA Not applicable.
Note: These data update and revise income information released in April, 1989 by the U.S. Department of Commerce.
Source: U.S. Department of Commerce, Bureau of Economic Analysis, August, 1989.

Current Economic Developments . . .

(Continued from Page 1)

agreement with Canada. A tax credit on new gas wells, originally due to expire at the end of 1988, was extended through 1990, resulting in a spate of drilling activity in the San Juan Basin and the creation of an estimated 50–100 jobs. On the negative side, however, was the announcement on August 10th by Chevron Resources, Inc. that the Mount Taylor uranium mine would be closing permanently in October (later amended to November), idling about 180 miners. In manufacturing, the Solo Cup Corporation held ground-breaking ceremonies for its plant in Belen, and expects to be in production by April of next year. Initial employment will be about 250. In Rio Rancho, U.S. Cotton is building a plant to produce cotton pads for use with cosmetics. Production is scheduled to begin in December with an initial employment of twenty. And in the military arena, the Pentagon announced in September that Cannon AFB will be receiving 1,738 new military and civilian employees beginning in April, 1990, a year ahead of schedule. This will result in 1,400–1,500 additional jobs in the support sectors (trade and services).

Lawrence A. Waldman, Economist

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